

**SECOND AMENDMENT TO AGREEMENT
BETWEEN THE COUNTY OF SAN MATEO AND
THE DATA SYSTEMS GROUP (DSG)**

THIS AMENDMENT TO THE AGREEMENT, entered into this ____ day of _____, 20____, by and between the COUNTY OF SAN MATEO, hereinafter called "County," and THE DATA SYSTEMS GROUP (DSG), hereinafter called "Contractor";

W I T N E S S E T H:

WHEREAS, pursuant to Government Code Section 31000, County may contract with independent contractors for the furnishing of such services to or for County or any Department thereof;

WHEREAS, the parties entered into an Agreement for software maintenance, upgrades and support services for the San Mateo Medical Center (SMMC) on July 1, 2007; and

WHEREAS, the parties wish to amend the Agreement to add \$92,753.65 for a new total maximum obligation of \$340,295.97 and extend the term date through June 30, 2010.

NOW, THEREFORE, IT IS HEREBY AGREED BY THE PARTIES HERETO AS FOLLOWS:

1. Section 3 of the Agreement is amended to read as follows:

In consideration of the services provided by Contractor in accordance with all terms, conditions, and specifications set forth herein and in Schedule "A", County shall make payments to Contractor based on the rates and in the manner specified in Schedule "B". The County reserves the right to withhold payment if the County determines that the quantity or quality of the work performed is unacceptable. In no event shall the County's total fiscal obligation under this Agreement exceed THREE HUNDRED FORTY THOUSAND TWO HUNDRED NINETY FIVE DOLLARS AND NINETY SEVEN CENTS (\$340,295.97).

2. Section 4 of the Agreement is amended to read as follows:

Subject to compliance with all terms and conditions, the term of this Agreement shall be from July 1, 2007 through June 30, 2010.

This Agreement may be terminated by Contractor or by the Chief Information Officer, or his/her designee, at any time without a requirement of good cause upon thirty (30) days' written notice to the other party.

In the event of termination, all finished or unfinished documents, data, studies, maps, photographs, reports, and materials (hereafter referred to as materials) prepared by Contractor under this Agreement shall become the property of the County and shall be promptly delivered to the County. Upon termination, the Contractor may make and retain a copy of such materials. Subject to availability of funding, Contractor shall be entitled to receive payment for work/services provided prior to termination of the Agreement. Such payment shall be a portion of the full payment which is determined by comparing the work/services completed to the work/services required by this Agreement.

3. Original attachment Schedule A is replaced with revised attached Schedule A.
4. Original attachment Schedule B is replaced with revised attached Schedule B.
5. **All other terms and conditions of the agreement dated July 1, 2007, between the County and Contractor shall remain in full force and effect.**

IN WITNESS WHEREOF, the parties hereto, by their duly authorized representatives, have affixed their hands.

COUNTY OF SAN MATEO

By: _____
Mark Church, Supervisor
Board of Supervisors, San Mateo County

Date: _____

ATTEST:

By: _____
Clerk of Said Board

The Data Systems Group (DSG)

Contractor's Signature

Date: _____

SCHEDULE A

In consideration of the payments specified in Schedule B, Contractor and County agree to the following:

1. Contractor shall provide for software maintenance, software upgrade, and phone support to conform to the warranty provided in paragraph 5, including but not limited to:
 - a. System Documentation and User Manuals
 - b. Medi-Cal Programs in compliance with Medi-Cal specification as approved by the State Department of Health Services
 - 1) Inpatient edits, input/modification screens and 837 file creation programs
 - 2) Outpatient edits, input/modification screens and 837 file creation programs
 - 3) Claims Inquiry Module
 - 4) Long Term Care Billing
 - 5) Remittance advice update from Electronic Data Systems (EDS) and Health Plan of San Mateo (HPSM) – programs to update claims file with payment, adjustment, denial and suspension date including Medi-Cal RA print program
 - c. Palmetto – Part A Medicare
 - 1) Medicare inpatient and outpatient claims: Download, edits and submission files
 - 2) Remittance Advice updates from Palmetto.
 - d. Palmetto – Part B Medicare
 - 1) Medicare Physicians claims: Download, edits and submission files.
 - 2) Remittance Advice updates from Palmetto. Programs to update claims file with payment, adjustment, denial and suspension date and/or amount.
 - e. Commercial Insurance – Emdeon
 - 1) Insurance inpatient and outpatient claims: Downloads, edits and submission files to Emdeon.
 - f. Transfer of claims submission information to update account file.
 - g. Software upgrades as necessary to conform to file formats and mandated claims processing requirements of both the Fiscal Intermediary for the state and federal requirements.
2. Contractor grants a perpetual license to the claims processing software listed in this agreement to County for use by the County for the term of the license agreement.
3. Contractor, as deemed necessary by the County, will provide training and instructions on the operation of the system, system equipment, claims editing process and methods of releasing claims for submission to the payers.
4. County is fully responsible to ensure that the Software covered by this agreement shall not be tampered with, resold, traded, copied or otherwise made available to any organization or individuals not licensed by this Agreement. County agrees to secure and protect the software and to take such action to satisfy this obligation with its employees, agents or designees.
5. Contractor warrants that the software will provide outputs which conform to the requirements of the State of California Medi-Cal program as processed by EDS or their successors and the Health Plan of San Mateo (HPSM), as well as those of Medicare Part A and B as processed by the Medicare Administrative Contractor, Palmetto, using current transmission specifications for each individual payer.

Any modifications provided to extract from County's billing system will be warranted to function correctly as part of the combined system and will include all data elements on the claim form provided from the Hospital Financial System and any missing data elements will be included as data entry elements within the biller correction screens.

SCHEDULE A CONTINUED

Under terms of the warranty and License Agreement, Contractor provides warranty and update services for on-going enhancements of the system and additional requirements mandated by the State of California, the Health Plan of San Mateo, and Palmetto which improve the functionality of the system and enhance the ability of the billers to operate efficiently.

If County requests warranty service which results in the determination that the County Software provided by DSG was not deficient or at fault, the County agrees to pay all Contractor expenses and labor at the then current rate of Contractor.

6. Program maintenance, including updates and phone support, is included in the monthly license fee.
7. It is understood that the Software may require modification. Contractor will confer with County regarding such modification necessary to interface with the existing billing system and as considered by the County necessary for optimal use of the software. Such modifications shall be made by Contractor, at the rates specified in Schedule B, Specialized Programming and Training, and within the timeframe specified by County, and approved by county. License agreements continue to exist and such modifications are incorporated as part of the License.
8. County is responsible for providing Contractor with a copy of the Medi-Cal claims file or output formatted for submission of claims to EDS, the HPSM, Palmetto, Emdeon, or their successors. .
9. Upgrades in procedure codes released by the fiscal intermediary for Medi-Cal or Medicare will be made available to County by Contractor as included in the monthly license support agreement.
10. County's rights and obligation under this License may not in any event be assigned, sub-licensed or otherwise transferred without the express written consent of Contractor. This license cannot be modified, except by a document in writing signed by an officer of Contractor and the County
11. HIPAA, DSG Software Updates, Program Maintenance and Support
Current and proposed HIPAA regulations regarding Electronic Data Interchange (EDI) are expected to require software and system modifications in order to be in compliance. DSG's formats, edits and submissions will conform to HIPAA standards and ANSI ASC X12N standards for the approved information sets. Such software and system modifications will be included in the software updates, program maintenance and support. Current and proposed HIPAA regulations regarding health information security and patient privacy are expected to require software and system modifications in order to be in compliance. Such software and system modifications will be included in the software updates, program maintenance and support.

SCHEDULE B

In consideration of the services, software and training specified in Schedule A, County agrees to pay the following:

☑ Monthly license and support fees

Claims / RA Database Management System		\$	270.00
<u>Medi-Cal Billing</u>			
Medi-Cal UB04	\$	1,725.00	\$ 575.00
Medi-Cal 1500	\$	450.00	\$ 150.00
Medi-Cal LTC	\$	225.00	\$ 75.00
Medi-Cal CHDP / FQHC Billing			\$ 350.00
Eligibility Engine - Medi-Cal	\$	300.00	\$ 100.00
<u>Medicare Billing</u>			
Medicare - UB04	\$	375.00	\$ 125.00
Medicare - 1500	\$	225.00	\$ 75.00
Medicare Advantage UB04 & 1500 - HPSM			\$ 300.00
<u>Commercial Billing</u>			
Commercial Insurance UB04 & 1500 - Web MD	\$	450.00	\$ 150.00
<u>Electronic Remittance Posting</u>			
ERA - Medicare Part A - Palmetto	\$	188.00	\$ 62.00
ERA - Medicare Part B - Palmetto	\$	180.00	\$ 60.00
ERA - Medi-Cal - EDS	\$	175.00	\$ 75.00
ERA - HPSM	\$	337.50	\$ 112.50
ERA - HPSM - Medicare Advantage			Included
<u>Additional Modules</u>			
Automated Secondary Billing - UB to UB			Included
Denial Manager & Payment Analysis		\$	400.00
Section 1011 - Trailblazers		\$	200.00
<u>Direct Payer Connectivity</u>			
Medi-Cal - EDS			
Medicare Part A & B - Palmetto			
Health Plan of San Mateo			
Emdeon (Clearinghouse)			
		\$ 4,630.50	\$ 3,079.50
Tax on Monthly License Fees 9.25%		\$	284.85
		\$	7,994.85

Schedule B Continued

Other Maintenance, Support Fees, and Hardware

Other Maintenance, Support Fees, and Hardware			
Modifications and Training - Including Travel Expenses	40hrs @ \$160/hr	\$	6,400.00
Edit Changes, Additions, Modifications specific to SMMC	90hrs @ \$160/hr	\$	14,400.00
		\$	20,800.00

Contract Summary

Contract Summary			
<u>License and Support</u>			
Monthly Software and Support Fees	9 months @ \$7994.85	\$	71,953.65
<u>Programming</u>			
Specialized Programming and Training		\$	20,800.00
		\$	92,753.65